GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:42
ANSWERED ON:21.07.2015
Allocation to Flour Mills
Bhamre Dr. Subhash Ramrao

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Food Corporation of India (FCI) has taken any decision to regulate the allocation of wheat to the flour mills under the open market sales scheme;

(b) if so, the details thereof;

(c) whether wheat from the Central pool is being sold to the flour mills due to shortage of wheat in the open market;

(d) if so, whether any apprehension has been expressed regarding its adverse effect on the distribution of wheat under the Public Distribution System; and

(e) if so, the details thereof and the reaction of the Government thereto?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)
(a) & (b): The Government has issued guidelines for sale of foodgrains under Open Market Sale Scheme (OMSS) during 2015-16. Accordingly, FCI sells stock of wheat available under Central Pool over and above stocking norms to State Government(s)/Bulk Consumers/Private Traders through e-auctions from its depots located in various States.

In the State of Punjab, Haryana and Madhya Pradesh, the reserve price of wheat has been kept at Rs. 1550/- per quintal. For depots of FCI located outside Punjab, Haryana and Madhya Pradesh, the reserve price of wheat is Rs. 1550/- per quintal plus railway freight from Ludhiana to the nearest railhead and road transportation cost from such railhead to the depot from which the sale is to effected. The minimum and maximum quantity of wheat that a bulk consumers/trader can bid in an e-auction conducted by a Region for a State/UT is 100 MT and 3500 MT respectively. The limit for States per e-auction has been fixed at 100 MT to 40000 MT.

(c): The wheat is being sold to the bulk buyers to improve its availability in the market and contain inflation as well as liquidate surplus stock to vacate godown space for further procurement operations.

(d): No Madam.

(e): Does not arise.